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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
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FILED

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MICHAEL E. KUNZ, Clerk
By _____ Dep. Clerk

VIA FACSIMILE (215) 580-2141

Honorable Jan E. DuBois
12613 United States Courthouse
601 Market Street
Philadelphia, Pennsylvania 19106

Re: SEC v. Michael A. Liberty, et al.
Civil Action No. 06-1030 (E.D. PA) (JD)

Dear Judge DuBois,

I am providing you with this joint report on behalf of the plaintiff, Securities and Exchange Commission ("Commission"), and defendant Michael A. Liberty. As we have previously reported, these parties have reached an agreement in principle as to the terms of a settlement that the staff of the Commission is prepared to recommend to the Commission. As I noted in the last joint report submitted to the Court on December 17, 2008, additional time was necessary for Mr. Liberty to supplement certain of the information he has provided to the staff, and then for the staff to complete its settlement recommendation and obtain Commission approval. The staff received the supplemental information from Mr. Liberty last Wednesday, March 11, 2009. The staff must now evaluate that information, complete its settlement recommendation, and obtain Commission approval. Under the circumstances, the parties jointly request that the Court continue this case for an additional 90 days, at which time the parties will again report to the Court regarding the status of the settlement.

Very truly yours,

s/Kingdon Kase

cc: Ivan B. Knauer, Esquire (via facsimile)